

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

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U.S. DISTRICT COURT
N.D. OF ALABAMA

EQUAL EMPLOYMENT
OPPORTUNITY COMMISSION,

Plaintiff,

and

QUONTAE BOLTON, CAROLYN BURRELL,
PEGGY SHERMAN and ENICA DANIELS

Intervenor-plaintiffs

vs.

R & J ENTERPRISES, INC.,
d/b/a INTERNATIONAL HOUSE
OF PANCAKES; AJM, INC.,
d/b/a INTERNATIONAL HOUSE
OF PANCAKES; STRATEGIC
OUTSOURCING, INC.,

Defendants.

Civil Action Number:

CV-02-C-2314-S

CONSENT DECREE

ENTERED

OCT 22 2003

I. GENERAL PROVISIONS

Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq. (Title VII) guarantees protected workers that they will be free from employment discrimination on the basis of race, color, religion, sex, or national origin. Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels filed charges of discrimination alleging that R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc., discriminated against them in violation of Title VII because of their sex (female). While investigating their charges the Equal Employment Opportunity Commission (EEOC) identified other female employees that it alleged were also discriminated against.

26

On September 9, 2002, the EEOC filed suit in this Court against R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. The EEOC alleged that R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc., discriminated against Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels and a class of similarly situated women through the actions of one of their supervisors, Ken Horne. The Commission alleged that Mr. Horne sexually harassed these women by subjecting them to offensive sexual comments and inappropriate physical contact in violation of Title VII. R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. each expressly deny all claims and allegations asserted in the Complaint.

Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels filed a Motion for Leave to Intervene on March 3, 2003, and the Court entered an order granting their motion on March 14, 2003. In their Complaint in Intervention Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels allege that they were subjected to discrimination in violation of Title VII in that they were sexually harassed by supervisor Ken Horne. R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. expressly deny all claims and allegations asserted in the Complaint in Intervention.

The EEOC, Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels and R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc., being aware of the risks, uncertainties and costs of continued litigation, are now desirous of resolving, through this Consent Decree, the claims asserted in the above styled lawsuit and an additional claim filed by Quontae Bolton with the EEOC in which

processing was not concluded until after this lawsuit was commenced.

This Court being fully advised of the premises of this case doth hereby Order, Adjudge and Decree as follows:

II. SPECIFIC PROVISIONS

A This Court has full jurisdiction to decide this controversy as to the EEOC, Quontae Bolton, Carolyn Burrell, Peggy Sherman, Enica Daniels, R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. This Court expressly retains jurisdiction for the next 6 months for the purpose of ensuring compliance with this Decree and entry of such further orders as may be necessary to effectuate the purposes of this Decree. Six months after the entry of this Decree, it will expire without further action by the parties or the Court. It is expressly agreed by the parties that the Court shall retain jurisdiction to enforce this Consent Decree. Kokkonen v. Guardian Life Insurance Co. of America, 511 U. S. 375 (1994).

B. Nothing herein shall be deemed to be an admission by R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. that they have at any time, place or in any manner whatsoever, violated either Title VII or any other statute, rule of law or legally binding regulation concerning Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels, or any other person who has been employed by R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. or who is alleged to have been employed by them.

C. This Decree, being entered with the consent of the EEOC, Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels and R & J Enterprises, Inc., d/b/a International House of

Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc., shall not constitute an adjudication or finding on the merits of the case nor shall it be used as evidence of a violation of Title VII or other law in any subsequent action by EEOC against R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc., except no party shall be prohibited by this provision from proceeding against any other for noncompliance with any provision of this Decree, any release pursuant to this Decree, or the Settlement and Release Agreement between the defendants and the individual plaintiffs.

D. This Decree shall fully and finally resolve with prejudice all claims raised in the Complaint and Complaint in Intervention, including without limitation the matters alleged in the Charges of Discrimination numbered 130-A1-01434, 130-A1-01435, 130-A1-02077 and 130-A1-02529, and the matters alleged in the Charge of Discrimination numbered 130-A1-02321 filed by Quontae Bolton with the EEOC in which processing was not concluded until after this lawsuit was commenced.

E. R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. agree to pay a total of \$180,000.00 in full settlement of the claims which are the subject of this lawsuit and Consent Decree, inclusive of all attorney's fees and costs. From this amount, R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. will pay a total of \$30,000 to eleven individuals (other than the Intervenor) identified by the EEOC. A check in an amount to be determined by the EEOC will be mailed to each of the eleven individuals by Certified mail within ten (10) days after receipt by R & J Enterprises, Inc., d/b/a International

House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. of the release (Exhibit "A") signed by that individual. Each individual shall have thirty (30) days from the entry of this Consent Decree to return the signed release to the EEOC. Absent extenuating circumstances, the EEOC shall transmit each signed release to Defendants within 10 days of receipt. Copies of the check and the letter sending it will be mailed to Naomi Hilton Archer, Senior Trial Attorney, EEOC, 1130 22nd Street, South, Suite 2000 Birmingham, AL 35205. The remaining funds shall be distributed in accordance with the terms of a separate confidential agreement entered into between Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels and R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc.

F. R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. agree that they will not retaliate against Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels or any of its former or present employees because such person has filed a Charge of Discrimination, testified, assisted, benefitted, or participated in any manner in the investigations, proceedings or hearings in this lawsuit.

G. R & J Enterprises, Inc., d/b/a International House of Pancakes agrees to comply with all requirements of Title VII of the Civil Rights Act of 1964, as amended, and immediately post the notice to employees attached as Exhibit "B" where it is visible to all employees.

H. Within sixty (60) days of the entry of this Decree, R & J Enterprises, Inc., d/b/a International House of Pancakes will provide training for its owners and managers on Title VII. This training shall include at least one module addressing sexual harassment discrimination in the

workplace and the employer's obligations in addressing such discrimination. The EEOC shall be given at least 15 days advance notice of the date, time, location and substance of this training and shall be permitted to comment upon the planned training.

I. Within sixty (60) days of the entry of this Decree, R & J Enterprises, Inc., d/b/a International House of Pancakes will provide training for its employees other than owners and managers on Title VII. This training shall include at least one module addressing sexual harassment discrimination in the workplace, the employer's obligations in addressing such discrimination, the employees' rights under the law regarding such discrimination and the methods by which the employees may report such discrimination to the employer. The EEOC shall be given at least 15 days advance notice of the date, time, location and substance of this training and shall be permitted to comment upon the planned training.

J. Within ninety (90) days of the entry of this Consent Decree, R & J Enterprises, Inc., d/b/a International House of Pancakes will provide the Birmingham District Office of the Equal Employment Opportunity Commission with proof of the action taken to inform and train its personnel as outlined in paragraphs H and I above. The report will be mailed to Naomi Hilton Archer, Senior Trial Attorney, EEOC, 1130 22nd Street, South, Suite 2000 Birmingham, AL 35205.

K. R & J Enterprises, Inc., d/b/a International House of Pancakes has developed an anti-discrimination policy and complaint procedure. A copy of that policy and procedure will be posted in the same locations as the notices referred to in paragraph H above. Additionally, a copy of the policy and procedure will be made available to all employees in the company's office.

L. Each party shall bear their own attorney's fees and costs. The EEOC is not seeking attorney's fees or costs against R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM,

Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. will not seek attorney fees or costs against the EEOC.

ORDERED and ADJUDGED this 21st day of October, 2003.



UNITED STATES DISTRICT JUDGE

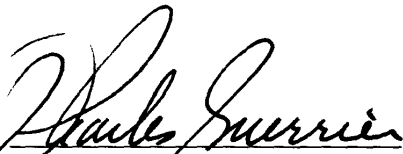
Respectfully submitted,

ERIC S. DREIBAND
General Counsel

JAMES LEE
Deputy General Counsel

GWENDOLYN YOUNG REAMS
Associate General Counsel

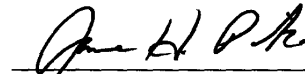
EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION
1801 "L" Street, Northwest
Washington, DC 20507



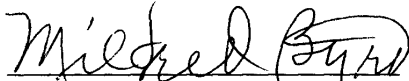
CHARLES E. GUERRIER (OH 0023546)
Regional Attorney



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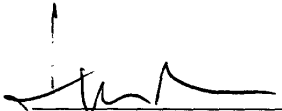
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Senior Trial Attorney



J. MARK GRAHAM (LA 06216)
Senior Trial Attorney

EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION

Birmingham District Office
Ridge Park Place, Suite 2000
1130 22nd Street South
Birmingham, AL 35205
Telephone: (205) 731-1172

Exhibit "A"

RELEASE OF (AGGRIEVED PARTY)

For and in consideration of the sum of _____ Dollars (\$_____.00) cash in hand, this day paid to (AGGRIEVED PARTY) and other covenants contained in the Consent Decree to which this Release is attached as Exhibit A and other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged, the undersigned (AGGRIEVED PARTY) for myself, my heirs, administrators, executors and assigns have released and discharged and by these presents do hereby release and discharge R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc., their directors, shareholders, parent and subsidiary entities, attorneys officers, agents, employees and insurers, and each of them, from any and all claims, demands, actions, causes of action, matters, issues, allegations, damages, losses, and expenses which circumstances and incidents were or could have been asserted on my behalf by the Equal Employment Opportunity Commission (EEOC) in Civil Action Number CV-02-C-2314-S filed by the EEOC against R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. in the United States District Court for the Northern District of Alabama, Southern Division; and all claims for attorney fees and costs associated with said Civil Action.

I understand and agree that this release is valid notwithstanding that in the future I might discover additional facts or learn that what I now believe to be facts are not as I believe them to be.

In executing and delivering this Release, the undersigned relies wholly upon her own judgment, knowledge and belief as to the nature, extent and duration of the damages which she may have suffered or sustained or which she may sustain in the future as a result of the transaction,

occurrence or event. (AGGRIEVED PARTY) further represents and warrants that she has not been influenced by any representations, statements or warranties made by any person or entity released hereby or by any of their directors, officers or agents, or any other person representing them concerning the nature or extent of the damages or losses or legal liability therefor.

It is further understood and agreed that this Release is executed and delivered and the sum of money herein above specified is paid in compromise and settlement of a doubtful and disputed claim and that the payment of said money is not to be construed as an admission of liability on the part of R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc., but, on the other hand, R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. specifically deny any such liability therefor.

It is further understood and agreed that the claims of the undersigned against the parties herein above named in that certain pending lawsuit being Cause No. CV-02-C-2314-S in the United States District Court, Northern District of Alabama, Southern Division, being styled Equal Employment Opportunity Commission and Quontae Bolton, Carolyn Burrell, Peggy Sherman and Enica Daniels versus R & J Enterprises, Inc., d/b/a International House of Pancakes; AJM, Inc., d/b/a International House of Pancakes and Strategic Outsourcing, Inc. is to be resolved through the entry of a Consent Decree.

I understand and agree that taxes are not being withheld on the payment being made to me and that taxes, if any, that may be due because of my receipt of these funds are to be paid by me and I agree to do so. I hereby agree that R&J Enterprises Inc.d/b/a International House of Pancakes, AJM Inc.d/b/a International House of Pancakes, and Strategic Outsourcing Inc. shall not be liable for any such taxes.

I understand that no provisions or promises outside of this Release and the Consent Decree signed by the parties settling the above styled charge and lawsuit will be binding.

I have affixed my signature hereto on this the _____ day of _____, 2003.

(AGGRIEVED PARTY)

STATE OF _____

COUNTY OF _____

Personally came and appeared before me, the undersigned authority in and for the aforesaid county and state, the within named (AGGRIEVED PARTY), who acknowledged to me that she signed, executed and delivered the above and foregoing Release on the day and year therein mentioned and for the purposes therein stated, after having first duly read and completely understood the same or having had it explained to her.

Given under my hand and seal of office, on this the _____ day of _____ 2003.

Notary Public

My Commission Expires:

Exhibit "B"

NOTICE TO EMPLOYEES

Federal law requires that there be no discrimination against any employee or applicant for employment because of the individual's race, color, religion, sex, national origin or age (40 and over) with respect to hiring, promotion, firing, compensation or other terms, conditions or privileges of employment.

R & J Enterprises, Inc., d/b/a International House of Pancakes supports and will comply with such Federal Law in all respects and will not take any action against employees because they have exercised their rights under the law.

R & J Enterprises, Inc., d/b/a International House of Pancakes has developed an anti-discrimination policy and complaint procedure. A copy of that policy and procedure is available to all employees in the company's office.

President, R & J Enterprises, Inc., d/b/a International House of Pancakes